

NEIGHBORHOOD ASSISTANCE TAX CREDIT PROGRAM

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

PURPOSE

Provide assistance to community-based organizations that enable them to implement community or neighborhood projects in the areas of community service, education, crime prevention, job training and physical revitalization.

AUTHORIZATION

Sections 32.100 to 32.125, RSMo

HOW THE PROGRAM WORKS

The Department of Economic Development (DED) will issue 50% or 70% tax credits to an eligible taxpayer that makes a qualified contribution to an approved Neighborhood Assistance Program (NAP) project.

ELIGIBLE APPLICANTS

- ✓ Not-for-profit corporations organized under Chapter 355, RSMo;
- ✓ Organizations holding a 501(c)(3) ruling from the IRS; and
- ✓ Missouri businesses.

ELIGIBLE DONORS

Businesses only - individuals who operate a sole proprietorship, operate a farm, have rental property or have royalty income are also eligible, as well as a shareholder in an S-corporation, a partner in a Partnership or a member of a Limited Liability Corporation.

ELIGIBLE USE OF TAX CREDITS

This tax credit can be applied to:

- ✓ Ch. 143 – Income tax, excluding withholding tax
- ✓ Ch. 147 – Corporate franchise tax
- ✓ Ch. 148 –
 - ✓ Bank Tax
 - ✓ Insurance Premium Tax
 - ✓ Other Financial Institution Tax
- ✓ Ch. 153 – Express Companies Tax

This credit's special attributes:

- ✓ Carryforward 5 years

APPLICATION PROCEDURE

There is no deadline for applying. Applications are reviewed as received until funding is depleted.

NAP staff is available to provide technical assistance to organizations making application to the program.

FUNDING LIMITS

The maximum amount of tax credits available is \$18 million per fiscal year. The tax credits are allocated at the discretion of DED and are subject to change:

- ✓ \$12,000,000 million in 50% credits
- ✓ \$6,000,000 million in 70% credits (reserved for projects in certain lower population or unincorporated areas).

Applicant organizations may request a maximum of \$250,000 in 50% tax credits per year or \$350,000 in 70% tax credits per year if the organization is located in a qualifying rural area.

SPECIAL PROGRAM REQUIREMENTS

Preference is given to projects addressing specified program outcomes. The NAP also seeks projects located in distressed communities and in target communities as determined by the department.

CONTACT

MISSOURI

DEPARTMENT OF ECONOMIC DEVELOPMENT

Business and Community Services

Finance Management

301 West High Street, Room 770

P.O. Box 118

Jefferson City, MO 65102

Phone: 573-751-4539

Fax: 573-522-4322

E-mail: dedfin@ded.mo.gov

ADDITIONAL RESOURCES

Go to the department's home page

www.missouridevelopment.org to obtain guidelines and forms for the Neighborhood Assistance Program as well as information regarding Missouri's many other economic development programs and policies.